



ECONOMIC UPDATE

National/International

- U.S. real Gross Domestic Product (GDP) grew by 2.4 percent in 2014, according to preliminary estimates. This represents an increase from the 2013 growth rate of 2.2 percent. GDP growth was driven by increased personal consumption expenditures, investment, exports, and state and local government spending.
- Consumer confidence measures rose sharply, with the Conference Board's measure increasing to 102.9 in January (from 93.1 in December) and the University of Michigan's measure increasing to 98.1 (from 93.6 in December).
- Total nonfarm payroll employment rose by 252,000 in December, representing continued strong performance. The unemployment and labor force participation rates each declined by 0.2 percentage points to 5.6 percent and 62.7 percent respectively. The labor force participation rate is the labor force as a percent of the civilian noninstitutional population. The unemployment rate is the unemployed as a percent of the labor force.
- Over the past year, the number of long-term unemployed declined by 1.7 million, and the unemployment rate fell by 1.1 percentage points.
- Over 1 million housing units were permitted in 2014, an increase of 4.2 percent over 2013.
- Estimated 3rd quarter GDP growth for the Euro Zone was very slow at 0.2 percent, largely due to only a 0.1 percent growth in Germany's GDP. Third quarter GDP growth for China and India were revised downwards slightly, to 7.3 percent and 4.7 percent respectively.

Washington State

- For the third quarter of 2014, Washington's state personal income grew by 1.2 percent, the 7th fastest rate in the nation. Growth was driven primarily by an increase in earnings. Over the last year, Washington's state personal income has risen 5.1 percent, the 5th highest rate in the nation.
- Preliminary estimates show an increase of 7,600 jobs in December, while the unemployment rate was 6.3 percent. November's preliminary employment figure was revised downward by 1,000, to a gain of 5,800.
- Washington gained 82,900 jobs over the past year, of which 73,400 were in the private sector.
- Professional and business services led in job gains (+3,500) over the previous month, followed by education and health services (+2,100), and finance (+1,100). Leisure and hospitality lost 900 jobs, followed by information services and other services (-300 each).
- Sales of new vehicles grew sharply, reaching a seasonally adjusted annual rate of 301,400 in December, which was 11.8 percent above a year prior.
- State tax revenue collections exceeded the levels forecast by the Economic and Revenue Forecast Council in September, with levels over the past month 1.4 percent higher. Tax receipts show continued strong growth in retail sales tax (+7.6 percent) and B&O tax (+5 percent).



ECONOMIC INDICATORS

Unemployment Rate, December 2014

USA	Washington	Seattle-Bellevue-Everett
5.6%	6.3%	4.6%

Initial Unemployment Claims – Washington

Claims	Week of Reference	Same Period Last Year	Change
8,608	1/17/15	10,107	-1,499

Non-Farm Payroll Employment, December (BLS)

	USA	Washington	Seattle-Tacoma-Bellevue
Amount	140,347,000	3,094,000	1,860,300
Annual Change	2.1%	2.7%	3.2%

Washington Sectors with Strongest and Weakest Growth, December 2013 – December 2014

Sector	Employment Level	Change Over Year	
		Number	Percent
Construction	165,100	12,700	8.3%
Professional and Business Services	381,000	17,000	4.8%
Information	111,500	3,700	3.4%
Manufacturing	292,900	5,800	2.0%
Education and Health Services.	453,000	7,700	1.7%
Government	552,400	7,200	1.3%

Gross Business Income Growth, Key Sectors, Q2 2014

NAICS	Q2 2014 (\$ billion)	Percent Change From Q2 2013
Info. and Com. Technology	\$9.6	11.0%
Maritime	\$3.7	9.5%
Clean Technology	\$4.2	8.0%
Aerospace	\$14.9	4.6%
Life Sciences	\$1.7	-0.6%
Agriculture	\$3.2	-1.1%



Department of Commerce

Innovation is in our nature.

Per Capita Income, 2013

	USA	Washington	King County
Level	\$44,543	\$47,031	\$62,770
Annual Change	1.8%	2.1%	1.4%

Building Unit Permits, December 2014

	USA	Washington	Seattle-Tacoma- Bellevue
Level	83,500	3,182	1,831
Annual Change	7.3%	19.7%	6.6%

Zillow Home Value Index, December 2014

Geography	Median Home Price	Percent Change Over Year
USA	\$179,200	6.6%
Washington	\$266,400	8.0%
Seattle Metro	\$341,200	7.3%

Washington Exports, Selected

Commodity	Exports through Nov. 2014	Percentage Change From 2013
Total (no pass-through, \$ billions)	\$68.7	6.5%
Aerospace	\$44.0	12.2%
Mineral Fuel Oil	\$4.2	-4.5%
Industrial Machinery, incl. Computers	\$2.7	3.6%
Wheat and Meslin	\$1.9	-20.1%
Optic, Photo, Med., Instruments, etc.	\$1.9	3.7%

Revenue Data Dec 11 – Jan 10, 2015

Revenue Source	Amount	Change From Year Earlier
Retail Sales Tax	\$628,681,000	7.6%
B & O Tax	\$296,180,000	5.0%
Use Tax	\$52,217,000	14.4%
Public Utility Tax	\$28,800,000	-1.7%
Cigarette Tax	\$33,727,000	-3.0%